

## Motor Dealer Act Amendments Approved VSA to Implement New Regulations in 2018

Today, the Government has passed regulations to fully enact amendments made to the *Motor Dealer Act* that were passed in 2016. A portion of the amendments come into effect January 1, 2018, with all the amendments in full force by April 1, 2018.

As outlined in the [February](#) and [May 2016](#) Bulletins, the following changes will now be implemented:

1. Used vehicle wholesalers will now be licensed and legally bound to disclose vehicle histories when selling vehicles to dealers.
2. Broker agents will be licensed and prohibited from receiving money from both the buyer and seller. Broker agent representatives, those who work for Broker Agents, will also be licensed.
3. Flexible, proportionate and responsive approaches to breaches of the Motor Dealer Act by licensed dealers and salespeople have been added. This includes administrative penalties, compliance orders and undertakings to provide administrative flexibility beyond the current option to simply suspend or revoke licenses.
4. Administrative penalties, compliance orders and undertakings will also be available to battle unlicensed activity, such as curbing.
5. Administrative penalties assessed under the *Motor Dealer Act*, as well as penalties from contraventions of the *Business Practices and Consumer Protection Act*, will be deposited to a newly established Consumer Advancement Fund. All funds will be used for consumer education.
6. Oversight for the Customer Compensation Fund will become the responsibility of the Vehicle Sales Authority. The VSA currently manages all aspects of the compensation process except fund oversight.
7. Authority to establish a code of professional conduct for motor dealers, salespeople and all new licensees to further support a responsible and professional vehicle sales industry.
8. The use of electronic communications and paper hearings, in addition to oral hearings, to process and adjudicate some complaints.
9. The *right of reconsideration* for compliance orders and administrative penalties as a way to add fairness.

**Ian Christman, Registrar of Motor Dealers** confirmed,

*Consumers are entitled to protection and peace of mind when buying a motor vehicle. This includes being able to hold any person who is in the motor vehicle "supply chain" accountable if they have knowledge about a car's history. And, those offering to act as agents for a consumer must be held accountable to the same standards as dealers and salespeople. All participants in the marketplace must relay truthful information and provide proper disclosures.*

